

EXHIBIT 4

STATE OF ILLINOIS**CONTRACT****ILLINOIS DEPARTMENT OF EMPLOYMENT SECURITY**

The Unemployment Framework for Automated Claim & Tax Services (uFACTS) system

CONTRACT NUMBER 4100127387

The Parties to this contract are the State of Illinois acting through the undersigned Agency (collectively the “State” or “IDES”) and the Vendor. This contract, consisting of the signature page and numbered sections listed below and any attachments referenced in this contract, constitute the entire contract between the Parties concerning the subject matter of the contract, and in signing the contract, the Contractor affirms that the Certifications and if applicable the Financial Disclosures and Conflicts of Interest attached hereto are true and accurate as of the date of the Contractor’s execution of the contract. This contract supersedes all prior proposals, contracts and understandings between the Parties concerning the subject matter of the contract. This contract can be signed in multiple counterparts upon agreement of the Parties.

Contract includes BidBuy Purchase Order? (The Agency answers this question prior to contract filing.)

☐ Yes

☐ No

Contract uses Illinois Procurement Gateway Certifications and Disclosures?

☐ Yes (IPG Certifications and Disclosures including FORMS B)

☐ No


1. **DESCRIPTION OF SUPPLIES AND SERVICES**
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In consideration of the mutual covenants and agreements contained in this contract, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the terms and conditions set forth herein and have caused this contract to be executed by their duly authorized representatives on the dates shown on the following CONTRACT SIGNATURES page.

STATE OF ILLINOIS**CONTRACT****ILLINOIS DEPARTMENT OF EMPLOYMENT SECURITY**

The Unemployment Framework for Automated Claim & Tax Services (uFACTS) system

CONTRACT NUMBER 4100127387**VENDOR**

| | |
|---|---|
| Vendor Name: Deloitte Consulting LLP | Address: 111 S. Wacker Drive, Chicago, IL 60606 |
| Signature:  | Phone: (312) 486-4483 |
| Printed Name: Allan Kagan | Fax: (312) 247-4483 |
| Title: Principal | Email: akagan@deloitte.com |
| Date: April 24, 2020 | |

STATE OF ILLINOIS

| | |
|--|--------|
| Procuring Agency or University: Illinois Department of Employment Security | Phone: |
| Street Address: 33 South State Street; 9 th Floor | Fax: |
| City, State ZIP: Chicago, IL 60603 | |
| Official Signature: | Date: |
| Printed Name: Thomas D. Chan | |
| Official's Title: Acting Director | |
| Legal Signature: | Date: |
| Legal Printed Name: | |
| Legal's Title: | |
| Fiscal Signature: | Date: |
| Fiscal's Printed Name: | |
| Fiscal's Title: | |

AGENCY USE ONLY NOT PART OF CONTRACTUAL PROVISIONS

- Agency Reference #:
- Project Title:
- Contract #: 4100127387
- Procurement Method (IFB, RFP, Small Purchase, etc.): **Code-exempt due to Disaster Proclamation**
- IPB Reference #: N/A
- IPB Publication Date: N/A
- Award Code: C
- Subcontractor Utilization? ☐ Yes ☒ No
- Subcontractor Disclosure? ☐ Yes ☒ No
- Funding Source:
- Obligation #:
- Small Business Set-Aside? ☐ Yes ☒ No Percentage:
- Minority Owned Business? ☐ Yes ☒ No Percentage:
- Women Owned Business? ☐ Yes ☒ No Percentage:
- Persons with Disabilities Owned Business? ☐ Yes ☒ No Percentage:
- Veteran Owned Small Business? ☐ Yes ☒ No Percentage:
- Other Preferences? **N/A**

The Gubernatorial Disaster Proclamation issued March 9, 2020 suspends the provisions of the Illinois Procurement Code (30 ILCS 500/) for purchases necessary for response to COVID-19 and other emergency powers as authorized by the Illinois Emergency Management Agency Act (20 ILCS 3305/). The Code's provisions are suspended to the extent they are not required by federal law.

In accordance with CPO-GS Notice 2020.05, the Agency entering into this contract has determined that this contract is necessary to respond to the disaster and is therefore exempt from the Illinois Procurement Code (30 ILCS 500/) and the Governmental Joint Purchasing Act (30 ILCS517/).

1. DESCRIPTION OF SUPPLIES AND SERVICES

- 1.1. OVERVIEW:** On March 27, 2020, the President signed Public Law (Pub. L.) 116-136, the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020. The CARES Act creates a new federal program called Pandemic Unemployment Assistance (PUA) program that expands states' ability to provide unemployment insurance benefits to many workers impacted by the COVID-19 pandemic, including workers who are not ordinarily eligible for unemployment benefits. The Secretary of Labor, U.S. Department of Labor (USDOL) and the State of Illinois entered into an Agreement, dated March 28, 2020, for the implementation and administration of provisions of the CARES Act including the PUA program (USDOL Agreement) and related programs.

Pursuant to the USDOL Agreement, the Illinois Department of Employment Security (IDES) is required to implement and administer the PUA program. Further, the Illinois Unemployment Insurance Act mandates IDES to administer Unemployment Insurance (UI) programs and special benefits programs including Disaster Unemployment Assistance (DUA). IDES is seeking to implement and operate the PUA program in accordance with the CARES Act and USDOL Agreement. Further, IDES seeks to process PUA and DUA claims in an effective and efficient manner.

The Vendor certifies that it has the experience and knowledge in performing the work established under this Contract. The Vendor shall design and implement a fully-functional integrated unemployment insurance solution called the Unemployment Framework for Automated Claim & Tax Services for PUA/DUA (uFACTS) designed to carry out the provisions of the PUA and DUA requirements.

- 1.2. SUPPLIES AND/OR SERVICES REQUIRED:** The Parties acknowledge and agree that the following is a high-level overview of the services and deliverables that the Vendor shall provide, at a minimum:

- 1.2.1. Specifications:** The Vendor shall provide the supplies and services identified in the Statement of Work, which is attached hereto as Attachment 1 and incorporated into this Contract by reference. The Vendor shall fully comply with all applicable federal and state laws, orders, regulations, and other legal authority in Vendor's performance of this Contract. The uFACTS shall provide IDES with the necessary functionality and business capabilities to administer PUA and DUA claims in compliance with all agreed-to specifications for compliance with applicable laws and regulations including, but not limited to, the CARES Act, Social Security Act, and 20 C.F.R Part 625.
- 1.2.2. Implementation:** The Vendor shall provide the necessary supplies and services for the design, installation, testing and configuration of a cloud-based version of the Vendor's Unemployment Framework for Automated Claim & Tax Services (uFACTS). The uFACTS shall be built and hosted on the US Regions of Amazon Web Services Commercial Cloud. The Vendor shall work with IDES to identify the workflows, business rules, and requirements for documenting, automating and managing PUA and DUA eligibility. The Vendor shall install uFACTS as described in the Technical Architecture uFACTS for PUA/DUA in the attached Statement of Work (see Attachment 1). The Vendor acknowledges and agrees that uFACTS will be deemed installed and Accepted in accordance with Section 1.3.2.
- 1.2.3. Interface:** The Vendor shall deliver the interfaces established under the Statement of Work (see Attachment 1).
- 1.2.4. Maintenance and Technical Support:**
- A. The Vendor shall not charge IDES for any fees for hypercare, maintenance, operations or technical support prior to the Go-Live of uFACTS in accordance with Section 1.3.2.

- B. Upon IDES Acceptance of uFACTS, the Vendor shall provide hypercare, maintenance, operations and technical support to maintain the day to day operations of uFACTS, all as specified in the SOW.
- C. The Parties shall mutually agree in writing upon the expected time to respond to the following level of defects (as defined below in Section 1.3.1):

Severity 1 Defects: Severity 1 Defects are those that defects render the entire system inaccessible to all users or when major features of the system such as batch processing is non-functional.

Severity 2 Defects: Severity 2 Defects are those defects that impact functionality that impacts majority of the users or critical data but does not have a workaround.

Severity 3 Defects: Severity 3 Defects are those defects that affect a smaller number of users and has a temporary workaround.

- 1.3. ACCEPTANCE:** The Vendor shall provide IDES with supplies and deliverables throughout the performance of this Contract as set forth in the Statement of Work. However, only the Key Deliverables identified in Section 2.4 will be subject to acceptance in accordance with this Section.

1.3.1. Acceptance of Key Deliverables: Upon its submission of a Key Deliverable, the Vendor represents that it has performed its obligation under this Contract associated with the Deliverable. IDES shall have the opportunity to review the Key Deliverables for an Acceptance period of 48-hours from receiving written certification from the Vendor that the Key Deliverables are final and complete. IDES shall provide the Vendor with written notice by the end of the 48-hours review period if the Key Deliverable is acceptable or describe any defects (material nonconformity to the agreed-upon specifications ("defects")) that must be corrected prior to IDES accepting the Key Deliverable. If IDES fails to notify the Vendor within the 48-hour review period, then said Key Deliverable shall be deemed to have been accepted. The Vendor shall correct defects identified by IDES within a period agreed to by the Parties. Following correction of the defects, IDES shall provide the Vendor with written notice of its acceptance or rejection of the Key Deliverable as described in, and within the period in, this Section. The payment of each Key Deliverable identified in Section 2.4 is contingent upon acceptance in accordance with this Section. IDES shall accept or reject completion of the Key Deliverable based solely on whether or not there are defects therein and not based on any other factors, including, without limitation, format or style of the Deliverables or the incorporation at that time of additional ideas or functionality. To the extent that any Deliverable has been approved by the State at any stage of Vendor's performance hereunder, Vendor shall be entitled to rely on such approval for purposes of all subsequent stages of Vendor's performance hereunder. In the event an approved Deliverable differs from the previously agreed-upon specifications for such Deliverable, the specifications in such approved Deliverable shall govern.

1.3.2. Go Live: The new uFACTS will be deemed Accepted when IDES is satisfied that End-to-End Testing has been completed successfully and when the IDES CIO gives written approval to place uFACTS into production ("Go Live"). The decision whether to Go Live is within IDES' sole discretion.

- 1.4. PROJECT MANAGEMENT:** Vendor shall manage its personnel, keep track of work and work hours and manage issues with any work performance. If there are any issues with the project or Vendor Personnel, Vendor will, in cooperation with IDES, work to resolve these issues. As part of this commitment, IDES may require that Vendor report progress and problems (with proposed resolutions), provide records of its performance, participate in scheduled meetings and provide management reports as requested by IDES. Vendor must maintain auditable detail work records to support all charges to IDES.

- 1.4.1. Communication Plan: Throughout implementation, the Vendor shall provide clear communications to provide IDES with the information required to make educated decisions on its use of uFACTS.
- 1.4.2. Staff Meetings: IDES' Project Manager and the Vendor's Project Manager shall determine an appropriate set of periodic project staff meetings. At a minimum these meetings shall include the following: (a) a meeting among operational personnel to discuss ongoing issues relating generally to daily performance and planned or anticipated activities and changes, and (b) a management meeting to review the project reports and such other matters as the parties deem appropriate.
- 1.4.3. Written Report:
 - A. Weekly Reports: The Vendor shall submit weekly written progress reports describing the work performed, accomplishments, problems encountered and their resolutions, conformance to schedule, and effort required to complete the assignments. All reports shall be prepared in formats mutually agreed to by IDES and the Vendor.
 - B. After Action Report: Within 30 days after go-live, the Vendor shall provide a written After Action Report that includes lessons learned, analyzes of performance during each phase of the project and recommendations for best practices.
- 1.4.4. Documentation: The Vendor shall provide IDES with the information necessary to maintain and use uFACTS. Documentation shall include, but is not limited to: (i) operations manual and (ii) training materials.
- 1.5. ESCALATION PROCEDURE**: The following procedure will be followed to resolve a conflict arising during the performance of this Contract.
 - 1.5.1. When a conflict arises between the Parties, the project team members will first strive to work out the problem internally.
 - A. Level 1: If the project team cannot resolve the conflict within three (3) days, the Parties' Project Managers will meet to resolve the issue.
 - B. Level 2: If the conflict is not resolved, within three (3) days after being escalated to Level 1, the Parties' Project Sponsors will meet to resolve the issue.
 - 1.5.2. If the conflict is resolved by either Level 1 or Level 2 intervention and involves a change, the resolution will be addressed in accordance with the Change Control Procedure set forth in Section 1.6.
 - 1.5.3. If the conflict remains unresolved after Level 2 intervention, then IDES may terminate this Contract in accordance with Section 3.3 or Section 3.4.
 - 1.5.4. While a conflict is being resolved, the Vendor shall provide supplies and services relating to items not in dispute, to the extent practicable pending resolution of the conflict.
- 1.6. Change Control Procedure**
 - 1.6.1. Change Management Support: Vendor will provide change management support and will collaborate with IDES in request assessment, prioritization, resolution and disposition. If IDES has a change request such as an enhancement to the implemented product, IDES may submit the request using the agreed upon change tracking tools.
 - 1.6.2. System Incident Report (SIR): Vendor will review the change request and Vendor and IDES will determine if the request is to be addressed pursuant to hypercare or support or an enhancement or other change. If the change is a hypercare or support item, Vendor will confirm the request and the change will be provided at no additional cost beyond the fees for hypercare/support. If Vendor and IDES are unable to reach mutual written agreement on the nature of the issue, such agreement not to be unreasonably withheld, the matter will be escalated per the escalation procedure outlined in Section 1.5.
 - 1.6.3. Change order: A change order must be accepted by authorized representatives from both Parties, and a change must receive all necessary procurement approvals and undergo all necessary

procurement processes as may be required by the Illinois Procurement Code and other applicable laws and regulations, to authorize implementation of any agreed changes to this Contract. Until a change is authorized to be implemented, both Parties will continue to act in accordance with the latest agreed version of this Contract. A change order that has been signed by authorized representatives from both parties, received all required procurement approvals, and undergone all required procurement processes constitutes a change authorization for purposes of this Contract.

1.7. TRAINING: The Vendor shall deliver training as set forth in the SOW.

1.8. CONFIDENTIALITY & DATA SECURITY:

- 1.8.1. The Vendor shall comply with all confidentiality provisions provided under this Contract, including without limitation Attachment B-1 (IDES Supplemental Terms and Conditions) and Attachment B-3 (Protection of Social Security Numbers), which are attached hereto and incorporated into this Contract by reference.
- 1.8.2. The Vendor is authorized to use the information and data obtained, collected, created, stored or maintained under the Contract for the limited purpose of the performance of this Contract. Any other dissemination or use of the information or data without the express written authority of the IDES Director is specifically prohibited.
- 1.8.3. The Vendor's physical and cyber security measures shall meet or exceed industry standard practices and any standards established under governing laws, regulations, rules, or guidelines, and shall be subject to the review and approval of IDES as respects the Deliverables. Upon written notice from IDES, Vendor shall remedy any non-compliant security measure within 30 days, unless circumstances require the remedy on an expedited basis.
- 1.8.4. The uFACTS for PUA/DUA tool runs on Amazon Web Services (AWS) Commercial Cloud and the security standards and related practices set out for AWS on its website shall apply to the security responsibilities for AWS on its infrastructure. At the State's request beginning after June 2020, the Vendor must obtain an annual Service Organization Control 2 Type 2 (SOC 2 Type 2) report for the cloud hosting infrastructure managed by Vendor or FedRAMP Moderate Authorization. The audit will be at the sole expense of the Vendor and the results must be provided to the State upon written request within 30 days of its completion each year. State shall not disclose such SOC 2 Type 2/FedRAMP Report, or refer to such items in any communication, to any person or entity other than the State.

1.9. MILESTONES AND DELIVERABLES: The Vendor shall provide all deliverables in accordance with the project schedule identified in the Statement of Work, subject to IDES' performance of its responsibilities as set forth in the Statement of Work that impact such timing and subject to events outside of Vendor's control. The Vendor may update the project schedule for deliverables as necessary. Any updates to the project schedule for deliverables must be approved by IDES, provided that IDES' approval shall not be unreasonably withheld. Both parties agree to work cooperatively and in good faith to avoid and mitigate delays and disruptions to the planned performance. If action or inaction by IDES prevents Vendor from or delays Vendor in performing the services, Vendor will promptly notify IDES thereof and submit a change order therefor reflecting required adjustments in cost and/or schedule. In such event, the parties will promptly and in good faith negotiate such change order.

1.10. VENDOR / STAFF SPECIFICATIONS:

- 1.10.1. Staffing levels for the Project are expected to fluctuate depending on the phase of the project. Vendor's Key Personnel are identified in the table below and shall not be replaced before Go-Live except in the event of serious illness, separation from service or other serious personal circumstances:

| Role | Name |
|------------------------|-----------------|
| Project Executive | Al Kagan |
| Project Manager | Jim Mahony |
| Deputy Project Manager | Oly Mukherjee |
| Interfaces Lead | Santosh Navalgi |
| uFACTS for PUA SME | Kevin Ankin |

The Vendor's staff shall have the knowledge, experience, training, and skill equal to reasonable commercial standards applicable to personnel with similar responsibilities in the business in which Vendor is engaged and shall obtain sufficient knowledge of IDES practices to perform their respective duties and responsibilities under this Contract. Further, at IDES request, the Vendor shall remove any Vendor's staff at any time if the level of technical, business, process, or communications skill is not satisfactory as determined by IDES, in its sole discretion.

1.11. TRANSPORTATION AND DELIVERY: N/A.

1.12. SUBCONTRACTING

Subcontractors is not allowed without the prior written consent of IDES or as specified herein.

For purposes of this section, subcontractors are those specifically hired to perform all or part of the work covered by the contract. If subcontractors will be utilized, Vendor must identify below the names and addresses of all subcontractors it will be entering into a contractual agreement that has an annual value of \$50,000 or more in the performance of this Contract, together with a description of the work to be performed by the subcontractor and the anticipated amount of money to the extent the information is known that each subcontractor is expected to receive pursuant to the Contract. Attach additional sheets as necessary.

1.12.1. Will subcontractors be utilized? ☐ Yes ☒ No

1.12.2. All contracts with the subcontractors identified above must include the Standard Certifications completed and signed by the subcontractor.

1.12.3. If the annual value of any the subcontracts is more than \$50,000, then the Vendor must provide to the State the Financial Disclosures and Conflicts of Interest for that subcontractor.

1.12.4. If the subcontractor is registered in the Illinois Procurement Gateway (IPG) and the Vendor is using the subcontractor's Standard Certifications or Financial Disclosures and Conflicts of Interest from the IPG, then the Vendor must also provide to the State a completed Forms B for the subcontractor.

1.12.5. If at any time during the term of the Contract, Vendor adds or changes any subcontractors, Vendor will be required to promptly notify, in writing, the State Purchasing Officer or the Chief Procurement Officer of the names and addresses and the expected amount of money that each new or replaced subcontractor will receive pursuant to this Contract. Any subcontracts entered into prior to award of the Contract are done at the sole risk of the Vendor and subcontractor(s).

1.13. SUCCESSOR VENDOR

☐ Yes ☒ No This contract is for services subject to 30 ILCS 500/25-80. Heating and air conditioning service contracts, plumbing service contracts, and electrical service contracts are not subject to this requirement. Non-service contracts, construction contracts, qualification based selection contracts, and professional and artistic services contracts are not subject to this requirement.

If yes is checked, then the Vendor certifies:

- (i) that it shall offer to assume the collective bargaining obligations of the prior employer, including any existing collective bargaining agreement with the bargaining representative of any existing collective bargaining unit or units performing substantially similar work to the services covered by the contract subject to its bid or offer; and
- (ii) that it shall offer employment to all employees currently employed in any existing bargaining unit who perform substantially similar work to the work that will be performed pursuant to this contract.

This certification supersedes a response to certification 4, Form F, of the Illinois Procurement Gateway (IPG).

- 1.14. WHERE SERVICES ARE TO BE PERFORMED:** Unless otherwise disclosed in this section all services shall be performed in the United States. If the Vendor performs the services purchased hereunder in another country in violation of this provision, such action may be deemed by the State as a breach of the contract by Vendor.

Vendor shall disclose the locations where the services required shall be performed and the known or anticipated value of the services to be performed at each location. If the Vendor received additional consideration in the evaluation based on work being performed in the United States, it shall be a breach of contract if the Vendor shifts any such work outside the United States.

- Location where services will be performed: Illinois and remote performance and access

Value of services performed at these locations: 100%

2. PRICING


- 2.1 TYPE OF PRICING:** The Illinois Office of the Comptroller requires the State to indicate whether the contract value is firm or estimated at the time it is submitted for obligation. The total value of this contract is firm.
- 2.2 EXPENSES ALLOWED:** Expenses are not allowed.
- 2.3 DISCOUNT:** The State may receive a N/A % discount for payment within N/A days of receipt of correct invoice.
- 2.4 VENDOR'S PRICING:** Attach additional pages if necessary.

| Payment Milestone | Key Deliverable | Estimated Invoice Date | Amount |
|--|-----------------|---|-----------------------------------|
| The Base uFACTS PUA/DUA installation is completed in the development environment | Yes | 4/20/20 | \$700,000 |
| uFACTS PUA/DUA Acceptance | Yes | 5/11/20 | \$4,805,000 |
| Hypercare and Maintenance and Operations | No | 7/1/20 8/1/20 9/1/20 10/1/20 11/1/20 12/1/20 1/1/21 | \$3,745,000 (\$535,000 per month) |
| Help Desk Support | No | 5/1/20 6/1/20 7/1/20 | \$240,000 (\$80,000 per month) |

- 2.5 MAXIMUM AMOUNT:** The total payments under this contract shall not exceed **\$9,490,000** without a formal amendment.

3. TERM AND TERMINATION

- 3.1 TERM OF THIS CONTRACT:** This contract shall commence upon the last dated signature of the Parties and shall end on December 31, 2020.

 For procurements conducted in BidBuy, the State may include in this contract the BidBuy Purchase Order as it contains the agreed term.

☐ If checked, see the attached BidBuy Purchase Order for the Term of this Contract.

3.1.1 In no event will the total term of the contract, including the initial term, any renewal terms and any extensions, exceed 10 years.

3.1.2 Vendor shall not commence billable work in furtherance of the contract prior to final execution of the contract except when permitted pursuant to 30 ILCS 500/20-80.

3.2 RENEWAL:

3.2.1. Any renewal is subject to the same terms and conditions as the original contract unless otherwise provided in the pricing section. The State may renew this contract for any or all of the option periods specified, may exercise any of the renewal options early, and may exercise more than one option at a time based on continuing need and favorable market conditions, when in the best interest of the State. The contract may neither renew automatically nor renew solely at the Vendor's option.

3.2.2. Pricing for the renewal term(s), or the formula for determining price, is shown in the pricing section of this contract.

3.2.3. The State reserves the right to renew for a total of 9 (nine) years in any one of the following manners, subject to mutual written agreement as to pricing and other terms of such renewal and upon at least sixty (60) days' advance notice:

3.2.3.1 One renewal covering the entire renewal allowance;

3.2.3.2 Individual one-year renewals up to and including the entire renewal allowance; or

3.2.3.3 Any combination of full or partial year renewals up to and including the entire renewal allowance.

- 3.3 TERMINATION FOR CAUSE:** The State may terminate this contract, in whole or in part, immediately upon notice to the Vendor if: (a) the actions or inactions of the Vendor, its agents, employees or subcontractors have caused, or would reasonably be expected to cause, jeopardy to health, safety, or property, and, in the reasonable determination of the State, is incapable of being cured, or (b) the Vendor has notified the State that it is unable or unwilling to perform the contract.

If Vendor fails to perform to the State's satisfaction any material requirement of this contract, is in violation of a material provision of this contract, or the State determines that the Vendor lacks the

financial resources to perform the contract, the State shall provide written notice to the Vendor to cure the problem identified within the period of time specified in the State's written notice, which shall in no event be less than ten (10) business days. If not cured by that date the State may either: (a) immediately terminate the contract without additional written notice or (b) enforce the terms and conditions of the contract.

For termination due to any of the causes contained in this Section, the State retains its rights to seek any available legal or equitable remedies and damages.

- 3.4 TERMINATION FOR CONVENIENCE:** The State may, for its convenience and with thirty (30) days prior written notice to Vendor, terminate this contract in whole or in part and without payment of any penalty or incurring any further obligation to the Vendor.
- 3.5 PAYMENT UPON TERMINATION.** Upon submission of invoices and proof of claim, the Vendor shall be entitled to compensation for supplies and services provided in compliance with this contract up to and including the date of termination, including payment on a pro rata basis (based on level of effort) for work in progress.
- 3.6 AVAILABILITY OF APPROPRIATION:** This contract is contingent upon and subject to the availability of funds. The State, at its sole option, may terminate or suspend this contract, in whole or in part, without penalty or further payment being required, if (1) the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay such obligation, or if funds needed are insufficient for any reason (30 ILCS 500/20-60), (2) the Governor decreases the Department's funding by reserving some or all of the Department's appropriation(s) pursuant to power delegated to the Governor by the Illinois General Assembly, or (3) the Department determines, in its sole discretion or as directed by the Office of the Governor, that a reduction is necessary or advisable based upon actual or projected budgetary considerations. Contractor will be notified in writing of the failure of appropriation or of a reduction or decrease.

4. STANDARD BUSINESS TERMS AND CONDITIONS

4.1 PAYMENT TERMS AND CONDITIONS:

- 4.1.1 **Payment and Late Payment:** Within thirty (30) days after receipt of a properly submitted invoice, IDES will make full payment of such invoice by submitting it to the Illinois Office of the Comptroller for payment. Payments, including late payment charges, will be paid in accordance with the State Prompt Payment Act and rules when applicable. 30 ILCS 540; 74 Ill. Adm. Code 900. This shall be Vendor's sole monetary remedy for late payments by the State; Vendor retains all other rights and remedies hereunder and at law and in equity, and Vendor may halt the services and/or terminate this Contract upon thirty (30) days' prior written notice if full payment of a properly submitted invoice is not made on a timely basis and is not then made within such notice period. Payment terms contained on Vendor's invoices shall have no force and effect.
- 4.1.2 **Minority Contractor Initiative:** Any Vendor awarded a contract under Section 20-10, 20-15, 20-25 or 20-30 of the Illinois Procurement Code (30 ILCS 500) of \$1,000 or more is required to pay a fee of \$15. The Comptroller shall deduct the fee from the first check issued to the Vendor under the contract and deposit the fee in the Comptroller's Administrative Fund. 15 ILCS 405/23.9.
- 4.1.3 **Expenses:** The State will not pay for supplies provided or services rendered, including related expenses, incurred prior to the execution of this contract by the Parties even if the effective date of the contract is prior to execution.
- 4.1.4 **Prevailing Wage:** As a condition of receiving payment Vendor must (i) be in compliance with the contract, (ii) pay its employees prevailing wages when required by law, (iii) pay its suppliers and subcontractors according to the terms of their respective contracts, and (iv) provide lien waivers to the State upon request. Examples of prevailing wage categories include public works, printing, janitorial, window washing, building and grounds services, site technician services, natural resource services, security guard and food services. The prevailing wages are revised by the Illinois Department of Labor (DOL) and are available on DOL's official website, which shall be deemed proper notification of any rate changes under this subsection. Vendor is responsible for contacting DOL at 217-782-6206 or (<http://www.state.il.us/agency/idol/index.htm>) to ensure understanding of prevailing wage requirements.
- 4.1.5 **Federal Funding:** This contract may be partially or totally funded with Federal funds. If Federal funds are expected to be used, then the percentage of the good/service paid using Federal funds and the total Federal funds expected to be used will be provided to the awarded Vendor in the notice of intent to award.
- 4.1.6 **Invoicing:** By submitting an invoice, Vendor certifies that the supplies or services provided meet all requirements of the contract, and the amount billed and expenses incurred are as allowed in the contract. Invoices for supplies purchased, services performed and expenses incurred through June 30 of any year must be submitted to the State no later than July 31 of that year; otherwise Vendor may have to seek payment through the Illinois Court of Claims. 30 ILCS 105/25. All invoices are subject to statutory offset. 30 ILCS 210.
- 4.1.6.1 Vendor shall not bill for any taxes unless accompanied by proof that the State is subject to the tax. If necessary, Vendor may request the applicable Agency's state tax exemption number and federal tax exemption information.

- 4.1.6.2 Vendor shall invoice at the completion of this contract unless invoicing is tied in this contract to milestones, deliverables, or other invoicing requirements agreed to in the contract (which it is, as stated above).

Send invoices to:

| | |
|-----------------|---|
| Agency: | Illinois Department of Employment Security |
| Attn: | Thomas Revane |
| Address: | 33 South State Street, 11 th floor |
| City, State Zip | Chicago, Illinois 60603 |

☐ See attached BidBuy Purchase Order

BB For procurements conducted in BidBuy, the Agency may include in this contract the BidBuy Purchase Order as it contains the Bill To address.

- 4.2 ASSIGNMENT:** This contract may not be assigned, transferred in whole or in part by Vendor without the prior written consent of the State, and State may not assign this contract other than to another State agency or department without Vendor's prior written consent.
- 4.3 SUBCONTRACTING:** For purposes of this section, subcontractors are those specifically hired to perform all or part of the work covered by the contract. Vendor must receive prior written approval before use of any subcontractors in the performance of this contract. Vendor shall describe, in an attachment if not already provided, the names and addresses of all authorized subcontractors to be utilized by Vendor in the performance of this contract, together with a description of the work to be performed by the subcontractor and the anticipated amount of money that each subcontractor is expected to receive pursuant to this contract. If required, Vendor shall provide a copy of any subcontracts within fifteen (15) days after execution thereof. All subcontracts must include the same certifications that Vendor must make as a condition of this contract. Vendor shall include in each subcontract the subcontractor certifications as shown on the Standard Certification form available from the State. If at any time during the term of the Contract, Vendor adds or changes any subcontractors, then Vendor must promptly notify, by written amendment to the Contract, the State Purchasing Officer or the Chief Procurement Officer of the names and addresses and the expected amount of money that each new or replaced subcontractor will receive pursuant to the Contract. 30 ILCS 500/20-120.
- 4.4 AUDIT/RETENTION OF RECORDS:** Vendor and its subcontractors shall maintain books and records relating to the performance of the contract or subcontract and necessary to support amounts charged to the State pursuant the contract or subcontract. Books and records, including information stored in databases or other computer systems, shall be maintained by the Vendor for a period of three (3) years from the later of the date of final payment under the contract or completion of the contract, and by the subcontractor for a period of three (3) years from the later of final payment under the term or completion of the subcontract. If Federal funds are used to pay contract costs, the Vendor and its subcontractors must retain their respective records for five (5) years. Books and records required to be maintained under this section shall be available for review or audit by representatives of: the procuring Agency, the Auditor General, the Executive Inspector General, the Chief Procurement Officer, State of Illinois internal auditors or other governmental entities with monitoring authority, upon reasonable notice and during normal

business hours. Vendor and its subcontractors shall cooperate fully with any such audit and with any investigation conducted by any of these entities. Failure to maintain books and records required by this section shall establish a presumption in favor of the State for the recovery of any funds paid by the State under this contract or any subcontract for which adequate books and records are not available to support the purported disbursement. The Vendor or subcontractors shall not impose a charge for audit or examination of the Vendor's or subcontractor's books and records. 30 ILCS 500/20-65.

- 4.5 TIMING:** The parties will each perform their respective obligations in a timely manner and in accordance with the agreed-upon project plan. Vendor will notify the State promptly in the event of any known or expected material delay. Vendor shall continue to perform its obligations while any dispute concerning the contract is being resolved unless otherwise directed by the State, without limiting the parties' termination rights and other rights and remedies at law or in equity.
- 4.6 NO WAIVER OF RIGHTS:** Except as specifically waived in writing, failure by a Party to exercise or enforce a right does not waive that Party's right to exercise or enforce that or other rights in the future.
- 4.7 FORCE MAJEURE:** Failure by either Party to perform its duties and obligations will be excused by unforeseeable circumstances beyond its reasonable control and not due to its negligence, including acts of nature, acts of terrorism, riots, labor disputes, fire, flood, explosion, and governmental prohibition. The non-declaring Party may cancel the contract without penalty if performance does not resume within thirty (30) days of the declaration.
- 4.8 CONFIDENTIAL INFORMATION:** Each Party to this contract, including its agents and subcontractors, may have or gain access to confidential data or information owned or maintained by the other Party in the course of carrying out its responsibilities under this contract. Vendor shall presume all information received from the State or to which it gains access pursuant to this contract is confidential. Vendor information, unless clearly marked as confidential and exempt from disclosure under the Illinois Freedom of Information Act, shall be considered public. No confidential data collected, maintained, or used in the course of performance of the contract shall be disseminated except as authorized or required by law, rule, regulation, subpoena, or summons and with the written consent of the disclosing Party, either during the period of the contract or thereafter. The receiving Party must return any and all data collected, maintained, created or used in the course of the performance of the contract, in whatever form it is maintained, promptly at the end of the contract, or earlier at the request of the disclosing Party, or notify the disclosing Party in writing of its destruction, except that Vendor may retain copies of any such data, other than personally identifiable information, upon which it has relied to perform the services as part of its work papers, subject to its confidentiality obligations hereunder. The foregoing obligations shall not apply to confidential data or information lawfully in the receiving Party's possession prior to its acquisition from the disclosing Party; received in good faith from a third Party not subject to any confidentiality obligation to the disclosing Party; now is or later becomes publicly known through no breach of confidentiality obligation by the receiving Party; or is independently developed by the receiving Party without the use or benefit of the disclosing Party's confidential information.
- 4.9 USE AND OWNERSHIP:** Except for Vendor Technology contained therein, all work product or deliverables created by Vendor for delivery to the State under this contract, whether written documents or data, goods or deliverables of any kind (the "work" or "Deliverables"), shall be deemed work for hire under copyright

law and all intellectual property and other laws, and the State of Illinois is granted sole and exclusive ownership to all such work, unless otherwise agreed in writing. Vendor hereby assigns to the State all right, title, and interest in and to such work including any related intellectual property rights, and/or waives any and all claims that Vendor may have to such work including any so-called "moral rights" in connection with the work. Vendor acknowledges the State may use the work product for any purpose. Confidential data or information contained in such work shall be subject to confidentiality provisions of this contract. For purposes of this Contract (i) "Technology" means works of authorship, materials, information, and other intellectual property, and (ii) "Vendor Technology" means all Technology created prior to or independently of the performance of the Services by Vendor or its subcontractors, or created by Vendor or its subcontractors as a tool for their use in performing the Services, plus any modifications or enhancements thereto and derivative works thereon. Vendor grants to the State a non-exclusive, fully-paid up perpetual license to use any Vendor Technology included in the Deliverables in connection with its use of the Deliverables. Except for the foregoing license grant, Vendor or its licensors retains all rights in and to all Vendor Technology. To the extent any Vendor Technology provided to the State hereunder constitutes inventory within the meaning of section 471 of the Internal Revenue Code, such Vendor Technology is licensed to the State by Vendor as agent for Deloitte Consulting Product Services LLC on the terms and conditions contained herein. The rights granted in this Section do not apply to any Technology that is subject to a separate license agreement between the State and any third party (including Vendor's affiliates). The rights and license granted hereunder are subject to full payment for the services giving rise to the applicable Deliverable. Vendor's proprietary uFACTS for PUA/DUA tool shall be deemed Vendor Technology and subject to the foregoing license provided that it shall only be used by the State for PUA/DUA.

- 4.10 INDEMNIFICATION AND LIABILITY:** The Vendor shall indemnify and hold harmless the State of Illinois, its agencies, officers, employees, agents and volunteers from any and all costs, demands, expenses, losses, claims, damages, liabilities, settlements and judgments, including in-house and contracted attorneys' fees and expenses, arising out of third party claims for: (a) any actual or alleged death or bodily injury to any person or damage to any real or tangible personal property, to the extent caused by Vendor's negligent performance; or (b) any actual or alleged claim that the work provided under this contract infringe, misappropriate, or otherwise violate any intellectual property (patent, copyright, trade secret, or trademark) rights of a third party, except to the extent that such infringement or misappropriation or violation arises from, or could have been avoided but for (a) the State's modification of the work or use thereof in a manner not contemplated by this contract, (b) the failure of the State to use in a reasonably prompt manner any corrections or modifications that were provided to the State by Vendor to make their use non-infringing, non-misappropriating, or non-violating, as applicable, while providing, substantially the same functionality, (c) information or materials provided by the State, or (d) the use of the work with products not contemplated by this Contract nor approved in writing by Vendor. In accordance with Article VIII, Section 1(a),(b) of the Constitution of the State of Illinois and 1973 Illinois Attorney General Opinion 78, the State may not indemnify private parties absent express statutory authority permitting the indemnification. Except for damage to persons and property and Vendor's indemnification obligations under this Section, the State agrees that Vendor shall not be liable for any claims, liabilities, or expenses relating to this Contract or the services hereunder for an aggregate amount in excess of the fees paid or

payable by the State to Vendor pursuant to this Contract. Neither Party shall be liable for incidental, special, consequential, or punitive damages.

- 4.11 INSURANCE:** Vendor shall, at all times during the term of this contract and any renewals or extensions, maintain and provide a Certificate of Insurance including the State as an additionally insured for all required insurance. Certificates may not be canceled until at least thirty (30) days' notice has been provided to the State. Vendor shall provide: (a) General Commercial Liability insurance in the amount of \$1,000,000 per occurrence (Combined Single Limit Bodily Injury and Property Damage) and \$2,000,000 Annual Aggregate; (b) Auto Liability, including Hired Auto and Non-owned Auto (Combined Single Limit Bodily Injury and Property Damage), in amount of \$1,000,000 per accident; and (c) Worker's Compensation Insurance in the amount required by law. Insurance shall not limit Vendor's obligation to indemnify, defend, or settle any claims pursuant to Section 4.10 above.
- 4.12 INDEPENDENT CONTRACTOR:** Vendor shall act as an independent contractor and not an agent or employee of, or joint venture with the State. All payments by the State shall be made on that basis.
- 4.13 SOLICITATION AND EMPLOYMENT:** Vendor shall not employ any person employed by the State during the term of this contract to perform any work under this contract. Vendor shall give notice immediately to the Agency's director if Vendor solicits or intends to solicit State employees to perform any work under this contract.
- 4.14 COMPLIANCE WITH THE LAW:** The Vendor, its employees, agents, and subcontractors shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations, orders, federal circulars and all license and permit requirements in the performance of this contract. Vendor shall be in compliance with applicable tax requirements and shall be current in payment of such taxes. Vendor shall obtain at its own expense, all licenses and permissions necessary for the performance of this contract.
- 4.15 BACKGROUND CHECK:** Whenever the State deems it reasonably necessary for security reasons, the State may conduct, at its expense, criminal and driver history background checks of Vendor's and subcontractor's officers, employees or agents. Vendor or subcontractor shall immediately reassign any individual who, in the opinion of the State, does not pass the background check.
- 4.16 APPLICABLE LAW:**
- 4.16.1 PREVAILING LAW:** This contract shall be construed in accordance with and is subject to the laws and rules of the State of Illinois.
- 4.16.2 EQUAL OPPORTUNITY:** The Department of Human Rights' Equal Opportunity requirements are incorporated by reference. 44 ILL. ADM. CODE 750.
- 4.16.3 COURT OF CLAIMS; ARBITRATION; SOVEREIGN IMMUNITY:** Any claim against the State arising out of this contract must be filed exclusively with the Illinois Court of Claims. 705 ILCS 505/1. The State shall not enter into binding arbitration to resolve any dispute arising out of this contract. The State of Illinois does not waive sovereign immunity by entering into this contract.

4.16.4 **OFFICIAL TEXT:** The official text of the statutes cited herein is incorporated by reference. An unofficial version can be viewed at (www.ilga.gov/legislation/ilcs/ilcs.asp).

- 4.17 ANTI-TRUST ASSIGNMENT:** If Vendor does not pursue any claim or cause of action it has arising under Federal or State antitrust laws relating to the subject matter of this contract, then upon request of the Illinois Attorney General, Vendor shall assign to the State all of Vendor's rights, title and interest in and to the claim or cause of action.
- 4.18 CONTRACTUAL AUTHORITY:** The Agency that signs this contract on behalf of the State of Illinois shall be the only State entity responsible for performance and payment under this contract. When the Chief Procurement Officer or authorized designee or State Purchasing Officer signs in addition to an Agency, he/she does so as approving officer and shall have no liability to Vendor. When the Chief Procurement Officer or authorized designee or State Purchasing Officer signs a master contract on behalf of State agencies, only the Agency that places an order or orders with the Vendor shall have any liability to the Vendor for that order or orders.
- 4.19 EXPATRIATED ENTITIES:** Except in limited circumstances, no business or member of a unitary business group, as defined in the Illinois Income Tax Act, shall submit a bid for or enter into a contract with a State agency if that business or any member of the unitary business group is an expatriated entity
- 4.20 NOTICES:** Notices and other communications provided for herein shall be given in writing via electronic mail whenever possible. If transmission via electronic mail is not possible, then notices and other communications shall be given in writing via registered or certified mail with return receipt requested, via receipted hand delivery, via courier (UPS, Federal Express or other similar and reliable carrier), or via facsimile showing the date and time of successful receipt. Notices shall be sent to the individuals who signed this contract using the contact information following the signatures. Each such notice shall be deemed to have been provided at the time it is actually received. By giving notice, either Party may change its contact information.
- 4.21 MODIFICATIONS AND SURVIVAL:** Amendments, modifications and waivers must be in writing and signed by authorized representatives of the Parties. Any provision of this contract officially declared void, unenforceable, or against public policy, shall be ignored and the remaining provisions shall be interpreted, as far as possible, to give effect to the Parties' intent. All provisions that by their nature would be expected to survive, shall survive termination. In the event of a conflict between the State's and the Vendor's terms, conditions and attachments, the State's terms, conditions and attachments shall prevail.
- 4.22 PERFORMANCE RECORD / SUSPENSION:** Upon request of the State, Vendor shall meet to discuss performance or provide contract performance updates to help ensure proper performance of the contract. The State may consider Vendor's performance under this contract and compliance with law and rule to determine whether to continue the contract, suspend Vendor from doing future business with the State for a specified period of time, or whether Vendor can be considered responsible on specific future contract opportunities.

4.23 FREEDOM OF INFORMATION ACT: This contract and all related public records maintained by, provided to or required to be provided to the State are subject to the Illinois Freedom of Information Act (FOIA) (50 ILCS 140) notwithstanding any provision to the contrary that may be found in this contract.

4.24 SCHEDULE OF WORK: Any work performed on State premises shall be done during the hours designated by the State and performed in a manner that does not interfere with the State and its personnel.

4.25 WARRANTIES FOR SUPPLIES AND SERVICES:

4.25.1 The Vendor shall provide IDES with a nontransferable warranty for the period beginning upon the Go-Live, as defined in Section 1.3.2, and ending 45 days thereafter (the “warranty period”). The Vendor warrants that: (a) the uFACTS for PUA/DUA software is free from Severity 1 and Severity 2 material defects at the time of delivery, whereby a defect means that the Licensed Software is not operating substantially in the manner described in this Contract and the documentation provided to IDES, and Severity 1 and Severity 2 defects shall each be as defined in the SOW; and (b) the Licensed Software as delivered by the Vendor contains no known nor reasonably detectible, with reasonable due diligence, viruses or other disabling features or characteristics and no electronic restraints or other disability devices or procedures. For any non-compliance with the foregoing warranties during the i warranty period, the Vendor will, at no extra charge: (a) provide all reasonable programming services to correct any such Severity 1 or Severity 2 defects in the uFACTS for PUA/DUA software identified in writing by the State during the warranty period which the Vendor's diagnosis indicates were caused by a material defect in a materially unaltered version of the delivered Licensed Software and/or installation by Vendor of same; and (b) correct any non-conformance with the warranty set forth in subclause 4.25.1(b) above identified in writing by the State during the warranty period. The rights and duties imposed by this Section are separate and independent of the rights and duties imposed elsewhere in this Contract.

4.25.1. Vendor warrants that the supplies furnished under this contract will: (a) comply with all federal and state laws, regulations and ordinances pertaining to the manufacturing, packing, labeling, sale and delivery of the supplies; (b) be of good title and be free and clear of all known liens and encumbrances and; (c) not knowingly infringe any patent, copyright or other intellectual property rights of any third party.

4.25.2. Vendor warrants that all services will be performed by trained and competent personnel. Vendor shall monitor performances of each individual and shall, upon written request by the State, promptly reassign any individual who does not perform in accordance with this contract, who is disruptive or not respectful of others in the workplace, or who in any way violates the contract or State policies.

4.26 REPORTING, STATUS AND MONITORING SPECIFICATIONS: Vendor shall immediately notify the State of any event that may have a material impact on Vendor’s ability to perform this contract.

EMPLOYMENT TAX CREDIT: Vendors who hire qualified veterans and certain ex-offenders may be eligible for tax credits. 35 ILCS 5/216, 5/217. Please contact the Illinois Department of Revenue (telephone #: 217-524-4772) for information about tax credits.

5. SUPPLEMENTAL PROVISIONS:

In the event of a conflict between the State's and the Vendor's terms, conditions, and attachments, the State's terms, conditions and attachments shall prevail.

STATE SUPPLEMENTAL PROVISIONS

☒ Required Federal Clauses, Certifications and Assurances

Attachment B-2 (Federal Funding Certifications and Assurances).

☒ Agency Specific Terms and Conditions

Attachment B-1 (IDES Supplemental Terms and Conditions)

☒ Other (describe)

Attachment B-3 (Protection of Social Security Numbers: Contractor/Subcontractor Policy Statement)

Attachment A, Bank Files

5.1. VENDOR SUPPLEMENTAL PROVISIONS

☒ Attachment 1 (Statement of Work)

ATTACHMENT B-1

IDES SUPPLEMENTAL TERMS AND CONDITIONS

1. Confidential Information – Section 1900; Part 603:

The Parties agree that if a conflict arises under the performance of this contract in construing the terms of this Section 1 of IDES Supplemental Terms And Conditions, *Confidential Information – Section 1900; Part 603*, and any other provision of this Contract, the terms of this Section 1 shall control.

(a) In Vendor's performance of this contract, it and its employees and agents will have access to documents, files, records or other information that are confidential within the meaning of Section 1900 of the Unemployment Insurance Act, 820 ILCS 405/1900 ("Section 1900"), and federal regulations codified at 20 CFR Part 603, and in particular 20 CFR 603.9 ("Part 603"). VENDOR hereby assures and confirms that it and its employees and agents are subject to and shall comply with all provisions of Section 1900 and Part 603, including without limitation provisions pertaining to the protection from unauthorized use and/or disclosure of said confidential information and penalties for noncompliance. Protection from unauthorized use and/or disclosure specifically includes storage in a place physically secure from access by unauthorized persons, maintaining information in electronic formats such as magnetic tapes, discs, or on servers in such a way that unauthorized persons cannot obtain the information by any means, and undertaking precautions to ensure that only authorized employees and agents have access to said confidential information. Any dissemination or use of said confidential information other than for the purpose of this contract without the express written authority of the Director of IDES is specifically prohibited.

(b) Vendor hereby certifies that all employees and agents who are given access to said confidential information under this contract shall be instructed about the confidentiality requirements contained in this Section 1 and that said employees and agents shall adhere to same, and agrees to report any infraction by any employee or agent to IDES fully and promptly. Vendor shall restrict access to said confidential information to only those employees and agents who require access in the performance of this contract. Vendor shall not subcontract this contract or any portion of this contract without the prior written approval of IDES, and any such subcontractor and said subcontractor's employees and agents shall be expressly subject to the provisions of this Section 1. Notwithstanding any other provision of the contract to the contrary, this contract is subject to immediate cancellation by IDES for failure of Vendor or Vendor's subcontractors or any of their employees or agents to adhere to the provisions of this Section 1.

2. Unemployment Insurance Contributions / Unemployment Insurance Employer Account Number:

Vendor certifies that:

(a) Vendor is not delinquent in the payment of contributions, payments in lieu of contributions, penalties and/or interest as required of it under the Illinois Unemployment Insurance (UI) Act, nor does it owe any sums to the State because of overpaid UI benefits;

(b) Vendor's current and correct Illinois UI employer account number (if applicable) is: _____; and

(c) Vendor has disclosed its current and correct Federal Employer Identification Number (FEIN) in the space provided on the Taxpayer Identification Number form included in this contract, which is the same FEIN the Vendor has disclosed to the State for UI purposes.

Vendor acknowledges and agrees that if for any reason the Vendor's FEIN changes, the Vendor shall immediately notify the State of the new FEIN in writing, transmitted by telefax to the IDES Office of Legal Counsel at 312-793-2164, with such notice to include reference to the applicable IDES or CMS contract number assigned to this contract. Upon receipt of such notice, all further payments under this CONTRACT shall be processed under the new FEIN.

Vendor further acknowledges and agrees that the State has the right to withhold from any sum or sums otherwise payable to the Vendor pursuant to this contract the amount(s) of any past due contributions, payments in lieu of contributions, penalties, interest, and/or overpaid benefits it may owe under the UI Act, and to apply such amount(s) so withheld toward satisfaction of any such past due contributions, payments in lieu of contributions, penalties, interest, and/or overpaid benefits, and hereby expressly authorizes the State to do so.

Signature: _____

Date: April 24, 2020

STATE OF ILLINOIS

FORMS B CERTIFICATIONS AND DISCLOSURES

BidBuy Reference #: [Click here to enter text.](#)

Procurement/Contract #: **4100127387**

This Forms B may be used when responding to an Invitation for Bid (IFB) or a Request for Proposal (RFP) if the vendor is registered in the Illinois Procurement Gateway (IPG) and has an active State of Illinois Vendor Registration Number. The IPG assigns a unique State of Illinois Vendor Registration Number and expiration date upon the Chief Procurement Office's acceptance of an IPG application.

If a vendor does not have an active State of Illinois Vendor Registration Number, then the vendor must complete and submit Forms A with their response. Failure to do so may render the submission non-responsive and result in disqualification.

Please read this entire section and provide the requested information as applicable. All parts in Forms B must be completed in full and submitted along with the vendor's response.

1. Certification of Illinois Procurement Gateway Registration

My business has an active State of Illinois Vendor Registration Number.

To ensure that you have an active registration in the IPG, search for your business name in the IPG Registered Vendor Directory. If your company does not appear in the search results, then you do not have an active IPG registration.

State of Illinois Vendor Registration Number: **03640180**

IPG Expiration Date: **January 28, 2021**

2. Certification Timely to this Solicitation or Contract

Vendor certifies it is not barred from having a contract with the State based upon violating the prohibitions related to either submitting/writing specifications or providing assistance to an employee of the State of Illinois by reviewing, drafting, directing, or preparing any invitation for bids, a request for proposal, or request of information, or similar assistance (except as part of a public request for such information). 30 ILCS 500/50-10.5(e).

☒ Yes ☐ No

3. Disclosure of Lobbyist or Agent (Complete only if bid, offer, or contract has an annual value over \$50,000)

Is your company or parent entity(ies) represented by or do you or your parent entity(ies) employ a lobbyist required to register under the Lobbyist Registration Act (lobbyist must be registered pursuant to the Act with the Secretary of State) or an agent who has communicated, is communicating, or may communicate with any State officer or employee concerning the bid or offer? If yes, please identify each lobbyist and agent, including the name and address below. ☐ Yes ☒ No

If yes, please identify each lobbyist and agent, including the name and address below. If you have a lobbyist that does not meet the criteria, then you do not have to disclose the lobbyist's information. Additional rows may be inserted into the table or an attachment may be provided if needed.

STATE OF ILLINOIS
FORMS B CERTIFICATIONS AND DISCLOSURES

| Name | Address | Relationship to Disclosing Entity |
|------|---------|-----------------------------------|
| N/A | | |
| | | |

Describe all costs/fees/compensation/reimbursements related to the assistance provided by each representative lobbyist or other agent to obtain this Agency contract: **No lobbyist or agent employed by or working on behalf of Deloitte Consulting LLP has had any contact or communication with any State officer or employee concerning this bid or offer.**

4. Disclosure of Current and Pending Contracts

Complete only if: (a) your business is for-profit and (b) the bid, offer, or contract has an annual value over \$50,000. Do not complete if you are a not-for-profit entity.

☒ Yes ☐ No. Do you have any contracts, pending contracts, bids, proposals, subcontracts, leases or other ongoing procurement relationships with units of State of Illinois government?

If "Yes", please specify below. Additional rows may be inserted into the table or an attachment in the same format may be provided if needed.

| Agency | Project Title | Status | Value | Contract Reference/P.O./Illinois Procurement Bulletin # |
|--|--|----------|---------------|---|
| Department of Healthcare and Family Services | Integrated Eligibility System Implementation (Deloitte Consulting) | Contract | \$332,459,324 | Procurement Bulletin # 2012-00-015 |
| Department of Innovation and Technology | Systems Integrator for the Enterprise Resources Planning (ERP) Solution – Work Packets #1, #2 & #5 (Deloitte Consulting) | Contract | \$164,016,144 | Procurement Bulletin # 22033761 |
| Department of Central Management Services | IT Resources Multi Step Provider (Deloitte Consulting) | Contract | N/A | Procurement Bulletin # 22034078 |
| Cook County Department of Risk Management | Health & Group Benefits Consulting (Deloitte Consulting) | Contract | \$1,046,000 | Procurement Bulletin # 1830-17616 |
| City of Chicago | ERM Consulting Services (Deloitte & Touche) | Proposal | Pending | Procurement Bulletin # 1189037 |

5. Signature

As of the date signed below, I certify that:

- My business' information and the certifications made in the Illinois Procurement Gateway are truthful and accurate.
- The certifications and disclosures made in this Forms B are truthful and accurate.

STATE OF ILLINOIS
FORMS B CERTIFICATIONS AND DISCLOSURES

This Forms B is signed by an authorized officer or employee on behalf of the bidder, offeror, or vendor pursuant to Sections 50-13 and 50-35 of the Illinois Procurement Code, and the affirmation of the accuracy of the financial disclosures is made under penalty of perjury.

This disclosure information is submitted on behalf of:

Vendor Name: **Deloitte Consulting LLP**

Phone: **(312) 486-4483**

Street Address: **111 South Wacker**

Email: **akagan@deloitte.com**

City, State, Zip: **Chicago, IL 60606**

Vendor Contact: **Al Kagan**

Signature: _____

Date: **April 24, 2020**

Printed Name: **Allan Kagan**

Title: **Principal**

STATE OF ILLINOIS TAXPAYER IDENTIFICATION NUMBER

I certify that:

The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and

I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and

I am a U.S. person (including a U.S. resident alien).

- If you are an individual, enter your name and SSN as it appears on your Social Security Card.
- If you are a sole proprietor, enter the owner's name on the name line followed by the name of the business and the owner's SSN or EIN.
- If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's name on the name line and the D/B/A on the business name line and enter the owner's SSN or EIN.
- If the LLC is a corporation or partnership, enter the entity's business name and EIN and for corporations, attach IRS acceptance letter (CP261 or CP277).
- For all other entities, enter the name of the entity as used to apply for the entity's EIN and the EIN.

Name: **Al Kagan**

Business Name: **Deloitte Consulting LLP**

Taxpayer Identification Number:

Social Security Number: [Click here to enter text.](#)

or

Employer Identification Number: **06-1454513**

Legal Status (check one):

- | | |
|--|---|
| <input type="checkbox"/> Individual | <input type="checkbox"/> Governmental |
| <input type="checkbox"/> Sole Proprietor | <input type="checkbox"/> Nonresident alien |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Estate or trust |
| <input type="checkbox"/> Legal Services Corporation | <input type="checkbox"/> Pharmacy (Non-Corp.) |
| <input type="checkbox"/> Tax-exempt | <input type="checkbox"/> Pharmacy/Funeral Home/Cemetery (Corp.) |
| <input type="checkbox"/> Corporation providing or billing medical and/or health care services | <input checked="" type="checkbox"/> Limited Liability Company (select applicable tax classification) |
| <input type="checkbox"/> Corporation NOT providing or billing medical and/or health care services | <input type="checkbox"/> C = corporation |
| | <input checked="" type="checkbox"/> P = partnership |

Signature of Authorized Representative: _____



Date: **April 24, 2020**

ATTACHMENT B-3**PROTECTION OF SOCIAL SECURITY NUMBERS
CONTRACTOR/SUBCONTRACTOR POLICY STATEMENT**

The Identity Protection Act, 5 ILCS 179/1 *et seq.* ("IPA"), requires the Illinois Department of Employment Security ("IDES") to implement certain policies and procedures to protect Social Security numbers ("SSN" or "SSNs") used in the administration of IDES programs and services, including SSNs disclosed to other entities when disclosure is necessary to the performance of IDES duties and responsibilities. Under the IPA, before SSNs may be disclosed to contractors or subcontractors IDES must obtain in writing the policies the contractors or subcontractors will follow to protect the disclosed SSNs in accord with the requirements of the IPA.

This policy statement will serve as written acknowledgement by the undersigned contractor or subcontractor ("Recipient") that any and all SSNs disclosed by IDES will be protected in accord with the policies set forth herein:

1. The Recipient acknowledges that any SSNs disclosed by IDES will be utilized solely for the specific purpose(s) and use(s) identified in the pertaining contract, subcontract, grant, subgrant, or other agreement between IDES and the Recipient ("Agreement"). The Recipient affirms that it will not utilize any disclosed SSNs other than for said purpose(s) and use(s) without the prior written consent of IDES, and that it will not archive or retain any disclosed SSNs in any manner, form, or format after the termination of the Agreement.
2. The Recipient affirms that only the officers and employees of the Recipient who have a need to access disclosed SSNs for the purpose(s) and use(s) identified in the Agreement will have access to disclosed SSNs. The Recipient also affirms that it is responsible for enforcing this restriction of access to disclosed SSNs, and that all of the officers and employees of the Recipient who will have access to disclosed SSNs have been trained to protect the confidentiality of SSNs in accord with this policy statement. Training shall include instructions on proper handling of disclosed SSNs from receipt through disposal (see Paragraph 7).
3. The Recipient acknowledges that all SSNs disclosed by IDES are confidential and will be protected from unauthorized use and/or disclosure. Protection from unauthorized use and/or disclosure includes:
 - a) Restricting access to disclosed SSNs to authorized personnel in accord with Paragraph 2;
 - b) Storing materials, documents, or media containing disclosed SSNs in a place and/or manner physically secure from access by unauthorized persons;
 - c) Maintaining disclosed SSNs reduced to electronic or digital media or formats such as magnetic tapes, hard drives, flash drives, CDs or server-based applications in such a way that unauthorized persons cannot access or obtain disclosed SSNs by any means; and
 - d) Applying security measures to computer systems ensuring that only authorized personnel will have access to disclosed SSNs accessible through said computer systems.
4. The Recipient affirms that it will comply with all applicable laws, regulations, and State and federal legal authorities relating to the protection of disclosed SSNs, including, without limitation, as applicable:
 - a) Federal regulations codified at 20 CFR 603 pertaining to recipients of unemployment compensation information;
 - b) The Illinois Data Processing Confidentiality Act, 30 ILCS 585/0.01 *et seq.*;
 - c) Section 1900 of the Illinois Unemployment Insurance Act, 820 ILCS 405/1900; and
 - d) Section 10(c)(1) of the IPA, 5 ILCS 179/10(c)(1).
5. The Recipient affirms that it will not subcontract, subgrant, or otherwise transfer or assign any of the Recipient's duties or obligations involving disclosed SSNs under the Agreement without the prior written consent of IDES, and/or the approval and/or execution of an appropriate subcontract, subgrant, or other third-party agreement by IDES.
6. The Recipient affirms that it will retain records of access to and use of disclosed SSNs for any period required by applicable law and will allow on-site inspections by any regulatory authority if and to the extent required by applicable law to verify SSN security and usage.
7. The Recipient acknowledges that the materials, documents, or media of any type or form that contain SSNs disclosed by IDES are the property of and shall be returned to IDES upon request. The Recipient also acknowledges that it is responsible for the disposal of said materials, documents, or media upon termination of the Agreement. "Disposal" means the return or delivery of said materials, documents, or media to IDES, or the destruction of same, as directed by IDES.

 Recipient

 Name: Allan Kagan

(Print)

 By: 

(Signature)

 Title: Principal

 Date: April 24, 2020

ATTACHMENT 1 - STATEMENT OF WORK

This Statement of Work (SOW) is by and between Deloitte Consulting LLP (“Deloitte”) and The State of Illinois Department of Employment Security (The “State” or “IDES”), effective as of April 24, 2020, and is governed by Contract No. 4100127387, dated as of April 24, 2020, (“Contract”) and is attached thereto as Attachment 1 and incorporated therein. In the event of conflict between the Contract and this SOW, the terms and conditions of the Contract shall prevail.

Project Approach:

Deloitte will implement a cloud-based version of our Unemployment Framework for Automated Claim & Tax Services (uFACTS) solution to meet Pandemic Unemployment Assistance (PUA) requirements of the CARES Act and UI Disaster Unemployment Assistance (DUA) claims. The solution provides the State Pandemic Unemployment Assistance (PUA) functionality necessary to support the CARES act, including processing the additional claims load and making PUA and PFUC payments. The solution also supports any regular DUA declarations, providing the State with a DUA solution.

Functional Overview

uFACTS is designed to let the State define and operate PUA/DUA programs. System administrators can define program parameters for PUA and DUA benefit programs. The administrator enters the proper program parameters (effective dates, eligibility criteria, monetary parameters, etc.) and creates the program. The system creates the new program type and name and creates the necessary flows to allow claimants to apply for and, if eligible, receive benefits.

uFACTS for PUA/DUA meets the following high-level functional requirements:

- PUA/DUA Program Setup - The system allows staff to administer the program parameters such as begin date, incident date, declaration date, etc. and to successfully establish the program.
- Initial Screening – the system allows claimants to respond to initial screening questions. These questions determine whether the claimant is most likely a traditional State UI claimant or PUA/DUA claimant. If the claimant is a traditional UI claimant, they are directed to file an initial claim with the existing State UI application. If the claimant is a PUA/DUA claimant, they are directed to the uFACTS Initial Claims functionality.
- Initial Claim - uFACTS for PUA/DUA provides a responsive web framework solution which captures the complete PUA/DUA UI claim process per USDOL UIPL rules and regulations. The initial claims application collects pertinent claimant information upfront, and in detail, to increase the timeliness and accuracy of downstream processes. Claimants are required to create a user id and password for uFACTS for PUA/DUA during the initial claim process.
- Monetary Determination - For PUA/DUA claims, uFACTS establishes the PUA/DUA monetary determination based on the earnings information provided by claimant during claim intake process and uses configurable minimum PUA/DUA WBA and maximum PUA/DUA WBA values established during the PUA/DUA Program Setup. Benefit amounts are recomputed based on revised earnings information.
- Certifications – uFACTS for PUA/DUA provides weekly continued claim certifications functionality. uFACTS displays the questions based on the current program type of the claimant.

It can accept the weekly certifications on both personal computers and mobile devices due to its responsive web capabilities.

- Payments - uFACTS for PUA/DUA generates, through the State's payment vendors, payments to eligible PUA/DUA claimants that have completed a weekly certification. The process determines the weekly amount based on the State's rules for PUA/DUA weekly benefit amounts, as well as PFUC. A nightly file is generated to the State's current payment vendor(s) to generate the payment via direct deposit or debit card. Overpayments established within the system can be offset against future payments.
- Adjudication - The main purpose of Adjudication is to help staff determine eligibility for PUA/DUA benefits when issues arise that should potentially prevent payment of benefits. uFACTS has workflow to intelligently route issues to an adjudicator's workflow inbox. This process allows the State to set rules to route the issue to the right adjudicator, using criteria such as the priority of the issue to the business, the skill set of the adjudicator and the timeliness due date of the issue.
- Accounting - The uFACTS for PUA/DUA Fiscal Reporting component tracks all payments made at the claimant level by week, and reports and interface files are generated to allow recording of summary transactions in the State's accounting system.
- Workflow - The uFACTS for PUA/DUA Solution provides workflow functionality through the integrated Business Process Framework powered by IBM Case Foundation.

uFACTS for PUA/DUA

uFACTS for PUA/DUA is a component-based, multi-tiered architecture. It has been designed specifically to address agency UI needs. The uFACTS Technical Architecture provides the State a system that meets the functional requirements of PUA. Our uFACTS for PUA/DUA Technical Architecture:

1. Is built-on n-tiered, component-based open framework to support the needs of the PUA/DUA processes.
2. Is built on Microsoft .NET programming stack, including ASP.NET and C# for its core application, jQuery JavaScript libraries.
3. Uses pre-configured components whenever possible to reduce development, testing, and implementation time.
4. Adheres to Service-Oriented Architecture (SOA) design principles to reuse business logic, reducing integration complexities.
5. Is a modular solution that eases integration with other components or systems, such as COTS products, federal systems, and other State agencies.
6. Is based on a modern architectural design that provides extensibility and scalability.
7. Is designed with data accuracy and integrity, policy and business logic, and automated workflow and incorporates integrated, intelligent workload management and distribution to help improve business process efficiency.

Technical Architecture uFACTS for PUA

The following graphic depicts the model Cloud deployment of uFACTS for PUA/DUA:

AWS Technical Architecture - uFACTS - PUA

AWS Cloud Structure – uFACTS Client Production Environment

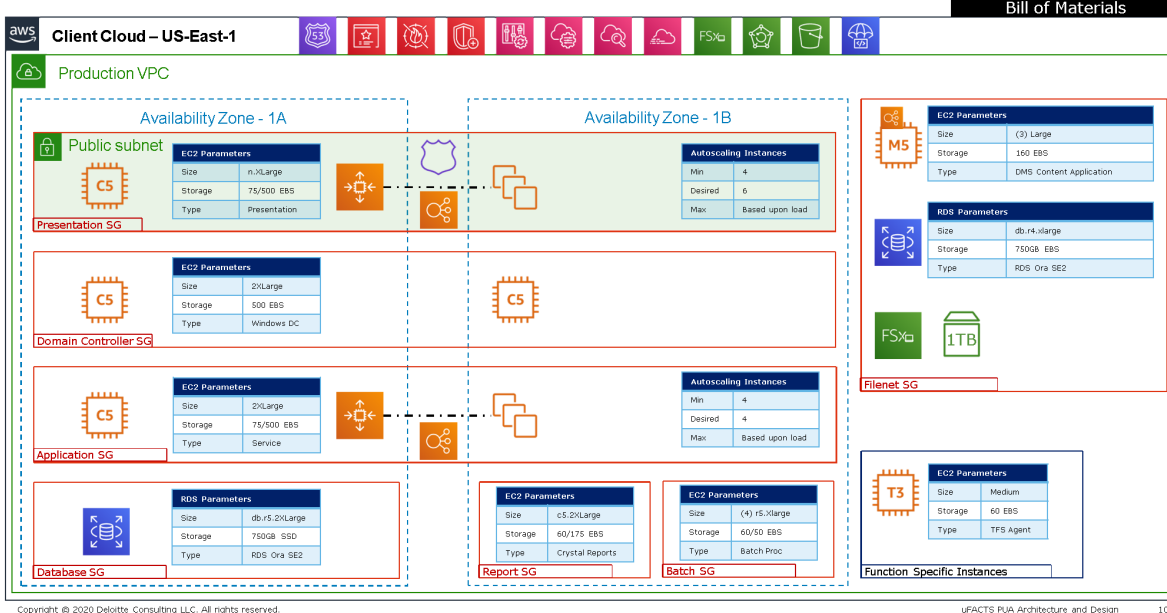


Figure 1: uFACTS Production Environment

uFACTS for PUA/DUA will be hosted on US Regions of Amazon Web Services Commercial Cloud, which operates under multiple security compliance programs, such as CSA, ISO, FedRAMP, FISMA and many others.

User Authentication

uFACTS for PUA/DUA includes standard Microsoft Active Directory authentication for claimant and staff users. It can integrate with enterprise Identity and Access Management (IAM) devices where available.

Interfaces

With the timely assistance of State business and technical staff, uFACTS for PUA/DUA will incorporate the interfaces below as part of the implementation. These interfaces must be completed and tested in order to place the DUA application in production. Supported interfaces will consist of:

Key Interfaces

- Scanning and Indexing – for inbound paper documents such as wage verification documents, eligibility verification information, etc. Interfaces will need to be established to the uFACTS Document Management System
- Printing – to generate outbound correspondence to the PUA/DUA claimant
- Payment/Bank Interface – daily outbound payment file to existing bank or payment service (direct deposit or EBT)
- Accounting– outbound interface to the State’s financial account system with summary transaction data.
- UI Benefits System – Routine (automated and scheduled) interfaces that provide existing claim information along with the status of the claim including exhausted and ineligible claims, and

claimant wage information. These interfaces will provide details required to administer the PUA program as defined by DOL in related UIPL(s).

Optional Interfaces

- Child Support Offset – allows for a nightly batch interface to SETS system to allow for offsets. This is a bi-directional interface into and out of SETS. The decision whether to implement the child support offset interface is within IDES' sole discretion.

Cloud Hosting:

Deloitte will implement uFACTS for PUA/DUA on a dedicated, State-specific account within a commercial Cloud provider and configure and maintain the Cloud environment throughout the project. As part of the scope of this SOW, Deloitte will provide all necessary infrastructure and 3rd-party software required to support the uFACTS solution via this commercial Cloud provider.

In addition, Deloitte will manage the Cloud environment for the application, addressing the following services:

- Cloud and Hosting Services Build and Configure - Deloitte will work host the uFACTS for PUA/DUA within a Commercial Cloud provider.
- Incident and Change Management - Deloitte will implement Incident and Change Management system to track the user reported incidents.
- Service Reporting - Deloitte will implement Cloud Native reporting metrics in the Cloud provider's environment to monitor the availability of the UFACTS for PUA/DUA solution.
- Monitoring and Alarming – Deloitte will implement industry standard cloud Monitoring and Alarming system for the Hardware and software hosted for uFACTS solution.
- Security - Deloitte will implement Comprehensive Cloud security and deliver complete visibility, automation, detection and response for cloud service.
- Network Connectivity – Deloitte will install and configure network communication and interconnectivity between IT resources /application within a cloud computing infrastructure.
- Performance and Capacity Management - Deloitte will size the resources with respect to Capacity Management in the cloud environment.
- Cost Management – Deloitte will continuously monitor, control and optimize what resources we are using in the Cloud environment so that we can actively take measures to reduce Cloud cost.
- Backup and Restore- Deloitte will install and configure industry standard tools in the cloud environment for Disaster and Recovery (DR).
- Operating System Management - Deloitte will install and configure Cloud OS to manage large-scale distributed computing resources.

Training

Deloitte will conduct the following training service for the State users that will work with uFACTS to service PUA customers: Deloitte will create a training region and training material and deliver training in three training sessions for staff end users 1 week prior to go live. Deloitte will provide the State with all the training materials in an editable format so they may maintain the training post go live. We will also conduct one train the trainer to State training staff within 6 weeks of the PUA go live date. Further details of the training sessions are described below in the Deloitte Responsibilities section.

Project Timeline

Deloitte will complete the project in the Three Phases: Adaption and Implementation, Hypercare and Maintenance and Operations (M&O):

- **Adaptation and Implementation** configures uFACTS for PUA/DUA to address the State-specific requirements for user access, monetary calculations, scanning/imaging interface, payment and accounting interfaces, other interfaces, testing and training.
- **Hypercare** is a five-month support and stabilization period. Deloitte is responsible for maintenance and operations of uFACTS PUA/DUA during this period, consisting of application monitoring, defect fixes (including material nonconformities to the product and approved requirements) and ongoing project management. All system enhancements (changes to the approved requirements) will be subject to a standard change request and approval process and incorporated at no additional cost within the capacity of the Hypercare team, approximately 17 FTE during this period. Deloitte will implement a Help Desk to provide Tier 1 ticket support to IDES staff. The help desk will be in place for the first sixty (60) calendar days post-implementation of uFACTS for PUA/DUA. Deloitte will provide three full-time operators from 7am – 6 pm CT, Monday – Friday. Deloitte will provide a ticketing system to create and track Help Desk tickets.
- **Maintenance and Operations** is a two-month period of ongoing maintenance and operations support. Team size is reduced and uFACTS for PUA/DUA transition plan is completed. Deloitte is responsible for maintenance and operations of uFACTS PUA/DUA during this period, consisting of application monitoring, defect fixes (material nonconformities to the approved requirements) and ongoing project management. All system enhancements (changes to the approved requirements) will be subject to a standard change request and approval process and incorporated based upon the capacity of the Maintenance and Operations team, approximately 11 FTE during this period. Deloitte will respond to all Tier 2 and Tier 3 technical support tickets, providing support to the IDES Help Desk.
- Optionally, the State can negotiate Deloitte support beyond the Maintenance and Operation period.

The following Gantt chart provides a high-level plan for the Project.

| ID | Task Mode | Task Name | Duration | Start | Finish | Predecessors |
|----|-----------|---|------------------|-------------------|---------------------|--------------|
| 1 | | uFACTS for PUA Implementation and Operations | 189 days? | Mon 4/13/2 | Thu 12/31/2 | |
| 2 | | Adaptation and Implementation | 20 days? | Mon 4/13/2 | Fri 5/8/20 | |
| 3 | | Project Kick Off | 1 day? | Mon 4/13/2 | Mon 4/13/2 | |
| 4 | | uFACTS Installation and Configuration | 10 days | Mon 4/13/2 | Fri 4/24/20 | |
| 5 | | Installation of uFACTS for PUA Base Solution | 2 days | Mon 4/13/2 | Tue 4/14/20 | 3SS |
| 6 | | Milestone 1: uFACTS for PUA Installed | 0 days | Tue 4/14/20 | Tue 4/14/20 | 5FS-1 day |
| 7 | | Confirmation of State business rules for PUA - payment calculations, state specific | 5 days | Mon 4/13/20 | Fri 4/17/20 | 3SS |
| 8 | | Development of Interfaces | 8 days | Wed 4/15/2 | Fri 4/24/20 | 5 |
| 9 | | uFACTS for PUA Application Configuration | 5 days | Mon 4/20/2 | Fri 4/24/20 | 7 |
| 10 | | Testing | 13 days | Mon 4/20/2 | Wed 5/6/20 | |
| 11 | | SIT testing | 7 days | Thu 4/23/20 | Fri 5/1/20 | 9SS+3 days |
| 12 | | Execute Performance Testing | 5 days | Mon 4/27/2 | Fri 5/1/20 | 9 |
| 13 | | Partner Integration Testing | 5 days | Mon 4/27/2 | Fri 5/1/20 | 8 |
| 14 | | Development of UAT Test Cases | 5 days | Mon 4/20/2 | Fri 4/24/20 | 7 |
| 15 | | UAT Execution | 3 days | Mon 5/4/20 | Wed 5/6/20 | 11 |
| 16 | | Training | 10 days | Mon 4/20/2 | Fri 5/1/20 | |
| 17 | | Update of Standard UFACTS for DUA Training | 10 days | Mon 4/20/2 | Fri 5/1/20 | 7 |
| 18 | | Deliver End User Training Session 1 | 1 day | Tue 4/28/20 | Tue 4/28/20 | |
| 19 | | Deliver End User Training Session 2 | 1 day | Wed 4/29/2 | Wed 4/29/2 | |
| 20 | | Deliver End User Training Session 3 | 1 day | Thu 4/30/20 | Thu 4/30/20 | |
| 21 | | Implementation | 2 days? | Thu 5/7/20 | Fri 5/8/20 | |
| 22 | | Final Build | 2 days | Thu 5/7/20 | Fri 5/8/20 | 15 |
| 23 | | Go Live | 1 day? | Fri 5/8/20 | Fri 5/8/20 | 22FS-1 day |
| 24 | | Milestone 2: uFACTS for PUA live | 0 days | Fri 5/8/20 | Fri 5/8/20 | 23FS-1 day |
| 25 | | Hypercare | 126 days | Fri 5/8/20 | Fri 10/30/20 | |
| 27 | | Maintenance and Operations | 44 days | Mon 11/2/2 | Thu 12/31/2 | |

Figure 2: Draft Project Plan

Deloitte Responsibilities

Deloitte's responsibilities during the Project consist of the following:

Adaption & Implementation Phase:

- Project Management
 - Conduct Weekly Status Meeting with Project Sponsor
 - Conduct daily stand up with Project Manager
- Installation of Base uFACTS for PUA/DUA on Cloud environment.
- Configuration of uFACTS for PUA/DUA based on State-provided, State-specific business rules in areas such as:
 - Initial Triage Questions (Determine Regular UI vs PUA)
 - Monetary calculation
 - Scanning Indexes
 - Correspondence
- Interface development within uFACTS for PUA/DUA environment
- Execute System Integration Testing
- Execute Performance Testing based on estimated load
- Execute Partner Integration Testing

- Perform three pre-implementation training classes for identified State staff that will work with uFACTS for PUA
- Create three online videos for claimants on how to register and utilize the PUA/DUA application. All claimant materials and videos must be approved by IDES before posting. The trainings are:
 - How to Register and Submit Initial Claim
 - How to provide Wage Verification Data
 - How to Submit Weekly Certifications
- Resolve Critical and High application defects identified in UAT
- Establish Deloitte-operated Help Desk to support IDES staff for sixty (60) calendar days' post-implementation, per below
- Deliverables:
 - Installation of base uFACTS for PUA/DUA
 - Configuration Specification Document
 - Configuration and Deployment of uFACTS for PUA/DUA into production
 - Weekly status reports

Hypercare Phase

- Project Management
 - Conduct Weekly Status Meeting with Project Sponsor
- Work to resolve prioritized defects (as defined above) and approved enhancements within team capacity
- Operate Help Desk for IDES Staff Support for sixty (60) calendar days post-implementation of uFACTS for PUA/DUA
 - Available Monday through Friday 7 am – 6 pm CT
 - Provide Tier 1 ticket support
 - Provide three (3) full-time Help Desk operators
- Monitor application performance
- Deliverables:
 - Weekly status reports

Maintenance and Operations Phase

- Project Management
 - Conduct Monthly Status Meeting with Project Sponsor
- Work to resolve prioritized defects (as defined above)
- Monitor application performance
- Conduct uFACTS for PUA/DUA application transition activities
- Conduct Project Close out activities
- Deliverables:
 - Weekly status reports

State Responsibilities

State responsibilities consist of the following:

Adaption & Implementation Phase:

- Full Time Positions Required
 - State Project Manager – responsible for management of the activities of the State.
 - State Interfaces Lead – responsible for any changes to interfaces on the State side are made per the Schedule. Coordinating SIT testing with partners
 - State Functional Lead – responsible for supplying all State-specific PUA rules and design of any required correspondence in standard uFACTS template. Also, leads defect triage sessions
- Additional Part Time Positions Required
 - State Project Sponsor – provide overall state leadership and serve as a point of escalation
 - Operational Lead – responsible for identifying State staff that will be performing PUA activities within the application and scheduling of training. Also identifies UAT testers and oversees UAT test script creation and execution.
 - Policy Staff – staff with ability to confirm State PUA business rules
 - PUA/DUA Staff – staff identified to perform PUA/DUA activities must attend training.
 - SIT and UAT Testers – staff to test the application
 - Interface developers – to update and test interfaces
- Activities required:
 - Modifications to existing interfaces, if required
 - Coordination of partner testing activities
 - Develop and execute UAT test scripts
 - Develop and generate claimant and staff communications

Hypercare

- Part Time Positions Required
 - State Project Sponsor – provide overall State leadership and serve as a point of escalation
 - State Project Manager – responsible for management of the activities of the State
 - State Interfaces Lead – responsible for any changes to interfaces on the State side are made per the Schedule
 - Policy Staff – staff with ability to confirm State PUA/DUA business rules
 - SIT and UAT Testers – staff to test the application
 - PUA/DUA Staff – perform PUA/DUA operational activities
 - Help Desk - Tier 1 tickets, after expiration of Deloitte responsibility
- Activities required:
 - Develop and generate claimant and staff communications
 - Tier 1 ticket support, after expiration of Deloitte responsibility
 - Perform all PUA/DUA operational activities
 - Scanning and Indexing of returned PUA/DUA documentation

Maintenance and Operations

- Part Time Positions Required
 - State Project Sponsor – provide overall State leadership and serve as a point of escalation
 - State Project Manager – responsible for management of the activities of the State.

- State Interfaces Lead – responsible for any changes to interfaces on the State side are made per the Schedule.
- Policy Staff – staff with ability to confirm State PUA/DUA business rules
- SIT and UAT Testers – staff to test the application
- State IT Staff- participate in project close out and knowledge transfer sessions for PUA/DUA application
- PUA/DUA Staff – perform PUA/DUA operational activities
- Help Desk - Tier 1 tickets, after expiration of Deloitte responsibility
- Activities required:
 - Develop and generate claimant and staff communications
 - Tier 1 ticket resolution, after expiration of Deloitte responsibility
 - Perform all PUA/DUA operational activities
 - Scanning and Indexing of returned PUA/DUA documentation
 - Participate in knowledge transfer sessions

Price and Payment Schedule

The total fixed-price cost for this Statement of Work is \$9,490,000. The price includes all services described herein and cloud hosting and management through December 31, 2020. Payment will be milestone based and include the following deliverables:

- Adaptation and Implementation
 - \$700,000 due when base uFACTS PUA/DUA installation complete in the development environment
 - \$4,805,000 due upon uFACTS PUA/DUA implementation in production
- Hypercare and Maintenance and Operations
 - \$3,745,000 (\$535,000 per month)
- Help Desk Support due in three equal monthly payments invoiced at the end of the each of the first three months of the project (\$240,000 total)
 - Month 1 – \$80,000
 - Month 2 – \$80,000
 - Month 3 - \$80,000

Assumptions

The following assumptions apply to this engagement, and parties acknowledge that departure from these assumptions may affect the outcome and timeliness of the engagement and will require a change order to address the impact on schedule, cost, and scope.

- In light of the COVID-19 crisis and the pressing need to implement PUA, the State and Deloitte Consulting will be required to prioritize critical functionality over non-critical functionality; decisions will be governed by the need to pay eligible recipients and not non-essential or desirable functionality. For purposes of this SOW, “critical functionality” means core functionality required to process PUA and DUA claims in accordance with the requirements of the CARES Act and other applicable laws and regulations. IDES, at its sole option, may suspend customary State standards and rules for reporting, paperwork and process to meet the Project timeline. It is assumed that the implementation will commence where the following criteria has been met:

- Key Interfaces listed above have been tested and may be executed, with or without reasonable work-arounds
 - State worker user ids have been created
 - End user training has been performed
 - Help desk has been established and trained
- The State acknowledges that it may need to authorize overtime for State staff to support the Project and State responsibilities.
- The State and Deloitte will dedicate or obtain the staffing resources necessary to support the timely execution of this critical project in accordance with the necessary aggressive project schedule.
- Deloitte Consulting will implement the base uFACTS for PUA/DUA solution; customizations to Deloitte Consulting's solution and other changes, including, without limitation, any due to new Federal guidelines or State requirements, will require a mutually executed change order given the need for additional resources and the impact of such changes on the project schedule and pricing.
- The State will be responsible for aligning all 3rd party vendors and systems that are required to interface with the new uFACTS for PUA/DUA solution (i.e., payment systems, banks, EBT providers, State accounting systems), coordinating the timely execution of any agreements, the coordination of testing and the collaboration of participating partners. Deloitte will collaborate with the State and 3rd party partners in finalizing these interfaces for production.
- Deloitte assumes that current State technical documentation exists for each interface listed above and that it can rely on such documentation in development of those interfaces.
- The State and its payment providers can accept payment and financial reporting files and agrees to process payment files generated by the system, according to the interface standard.
- The State will work with existing State UI bank or payment service to ensure they can receive and process PUA/DUA payment file separate from State regular UI Payment file, according to the interface standard. The interfaces generated by uFACTS will contain PUA data only.
- The recent compromised performance of Federal integrity checks may require that they be suspended to ease the customer experience. Integrity may have to be enforced by the State on the back end, or through subsequent releases of cross-match or other integrity capabilities.
- Offsets to collect amount due balances from other programs (e.g. UI) are not within the scope of this agreement. If desired, automated interfaces may be able to be considered to be built and deployed post-implementation, subject to the capacity of the Hypercare team.
- Offsets for child support will be implemented as a secondary release and must be accommodated within the capacity of the Hypercare team.
- Appeals functionality is not within the scope of this agreement.
- There will be no interface from uFACTS for PUA/DUA to ICON Services.
- The uFACTS for PUA/DUA solution will include integration with Experian authentication services and such services shall not affect claimants' credit scores. Failure to authenticate with the Experian services shall not prevent claimants from applying for benefits, but will create a request for identity information from the claimant and create an identity issue within the system that staff can respond to in determining benefits. The uFACTS for PUA/DUA solution shall not store credit reports or any other credit information that is subject to the Fair Credit Reporting Act (FCRA).
- Users will authenticate with uFACTS built-in Active Directory Services, unless integration with an enterprise IAM tool can be accomplished during the project timeline. Users will receive unique login for uFACTS.

- Any interfaces other than listed above will be deferred to a post-implementation release, and subject to Project Change Control processes.
- Deloitte is responsible for Tier 1 production ticket support, taking the initial call for a technical issue, addressing needs if able, and triaging and escalating to Level 2 if necessary, for the first sixty calendar days (60) after implementation of uFACTS for PUA/DUA. After the first sixty (60) calendar days, the State will take over Level One support.
- Due to the nature of social distancing requirements during the COVID-19 crisis, Deloitte staff will work remotely until mutually agreed otherwise, and State staff will interact with the project team using remote videoconferencing. Deloitte staff will be provided promptly with any access credentials needed to complete the deliverables.
- Upon mutual written agreement of the Parties, implementation activities may be conducted by staff located offshore.
- There will be no data conversion included in scope. The system will only serve new PUA/DUA claimants, not those existing State UI recipients. We assume no back conversion of PUA data back into the regular UI system.
- Upon full and final payment to Deloitte for the services hereunder, except for any Contractor IP (defined below) contained therein, the deliverables first created by Deloitte for delivery to the State in performing its services hereunder (the "Deliverables") shall be the property of the State. Deloitte's uFACTS solution and all other tools, technologies, methodologies, works of authorship, and other intellectual property that Deloitte creates prior to or outside of this Project or as a consulting tool for use on this project, and all modifications and derivatives thereof ("Contractor IP"), is and shall remain owned by and the property of Deloitte and Deloitte grants no rights therein, except as follows. Subject to full and final payment by the State for the services hereunder, Deloitte hereby grants to the State a non-exclusive, perpetual, royalty-free, worldwide, fully paid-up license to use the Contractor IP contained in or necessary for use of the Deliverables, solely in connection with its use of such Deliverables.
- The processing capacity included in this SOW is based on an assumption of the AWS Production Environment in Figure 1: uFACTS Production Environment. Should increased Cloud computing power and capacity be required due to claimant volume, the parties will process an appropriate change order to this SOW to adjust such capacity and associated Cloud hosting fees.
- The State and Deloitte agree to participate in Project Health Check Meeting(s), as deemed necessary.